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April 21, 2008

AGENDA ITEM 6

TO: MEMBERS OF THE INVESTMENT POLICY SUBCOMMITTEE

- I. SUBJECT:** Revision of Policy on Internally Managed Global Equity Index Funds
- II. PROGRAM:** Global Equity
- III. RECOMMENDATION:** Recommend to the Investment Committee approval of the revised Statement of Investment Policy for Internally Managed Global Equity Index Funds
- IV. ANALYSIS:**

Background

At the March 17, 2008 Investment Committee meeting, Agenda Item 9a was approved. This item allows Global Equity to establish two new internally managed index portfolios. These portfolios will provide exposure to international developed markets small and micro capitalization securities and to emerging market equities. This revised Statement of Investment Policy incorporates these two new portfolios into the overarching Global Equity document by the addition of relevant language to Section IV (Performance Objective and Benchmark) as shown in Attachment 1.

An opinion letter from Wilshire Associates related to these changes is shown in Attachment 2.

V. STRATEGIC PLAN:

This item is consistent with the Strategic Plan: Goal VIII, manage the risk and volatility of assets and liabilities to ensure sufficient funds are available, first to pay benefits and second to minimize and stabilize contributions.

VI. RESULTS/COSTS:

There are no material costs associated with this agenda item.

Eric Baggesen
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Global Equity

Anne Stausboll
Chief Operating Investment Officer